

DELPHI

TO: Adrian Schaffer
FROM: Beverly Gaskin
DATE: 3/21/05
RE: GMT 900 Quadrasteer Program Suspension

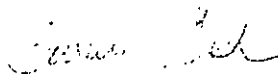
I am in receipt of your letter-dated 03Feb05 and wish to clarify that I did not state this program was cancelled nor did I agree to Motorola's unilateral deadline for response.

I do agree that Motorola should discontinue their internal resources on this project. Please understand that one of the major causes for our customer removing this option at this time was the Motorola price increase. We were disappointed in Motorola's unsolicited quotes and unsubstantiated cost increases during the course of this project.

Delphi has calculated the GMT 900 Quadrasteer program cost and strongly feels that the portion Motorola should be responsible for is 11.3M USD, for the reasons explained in the above paragraph. If you want to discuss this further please contact Jay Londhe to set up a meeting.

Delphi still feels this steer by wire technology is valuable and needed in this industry, consequently we are continuing to pursue other customers and application for this technology.

Sincerely,



Beverly Gaskin
Director of Purchasing -- Delphi Saginaw

Cc.
Jay Londhe
Betty Vanhove